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## FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 9.14.2010

Wall Street Journal: "AIG Plots End to U.S. Aid ... American International Group Inc. and its government overseers are in talks to speed up an exit plan designed to repay U.S. taxpayers in full while enabling the giant insurer to regain independence, according to people familiar with the matter."

Wall Street Journal: "Bank Rules Win Muted Praise ... Two years after Lehman Brothers Holdings Inc.'s collapse shook the global financial system, bank supervisors and central bankers have agreed on a plan they hope will prevent a repeat."

Wall Street Journal: "Basel's Capital Illusions ... As an achievement in global harmony, the just-announced Basel III agreement rates high marks. Federal Reserve Chairman Ben Bernanke and fellow regulators from the 27 nations that account for most of the world's financing were able to create a common set of banking rules."

Wall Street Journal: "Obama Embraces the 'Pre-emption' Doctrine ... A federal district court judge handed President Obama a major victory last month by ruling that key parts of Arizona's immigration enforcement statute are likely pre-empted by federal law-so Arizona cannot legally enforce those provisions since federal law is constitutionally supreme over state law."

Washington Post: "Financial industry groups: Long transition to ease impact of global bank rules ... Bank stocks rose and major financial industry groups generally welcomed new bank capital requirements, approved on Sunday by a Switzerland-based regulatory group, that called for tighter restrictions on financial firms but gave them an eight-year transition period before the rules take affect."

Washington Post: "More banks missing TARP dividend payments ... Big Wall Street firms have the most bruised public reputations, but it's a collection of smaller banks that continues to plague the Treasury Department's bank bailout program."

Washington Post: "Regulator Finds Less Risk in Fannie, Freddie Loans ... Mortgage pools packaged by Wall Street as investments during the housing boom were more risky and performed worse than those guaranteed by Fannie Mae and Freddie Mac, the companies' regulator said."

NY Times: "Crucial Work Remains in Rewriting Bank Regulations, Officials Say ... Stock markets cheered new regulations announced this weekend that were intended to prevent a recurrence of the financial crisis, but central bankers cautioned Monday that officials still must forge agreements to limit short-term bank risk and deal with institutions considered too big too fail."

NY Times: "The New Bank Rules ... Sunday's agreement by international banking regulators to require banks to increase their capital cushions should reduce the risk of another financial meltdown. Bankers' appetite for risky investments has not been quenched, and regulators will have to be vigilant."

NY Times: "Global banking rules would seek to reduce risk ... Banks would have to significantly increase their capital reserves under rules endorsed Sunday by the world's major central banks, which are trying to prevent another financial collapse without impeding the fragile economic recovery."